# RISK ADJUSTMENT
## Newsletter for EDS & RAPS
### November 2014

## HEADLINE NEWS

### Combined Risk Adjustment and Encounter Data Guidance

CMS is excited to announce combined Risk Adjustment (RA) and Encounter Data (ED) industry communications and training events for Medicare Advantage Organizations (MAOs) and other entities. MAOs and other entities benefit from the combined RA and ED communications and training events through CMS:

- Communicating w*hat* you need to know…*when* you need to know it;
- Using *your* input to share best practices for submitting data; and
- Providing MAOs and other entities the opportunity to communicate directly with Subject Matter Experts (SMEs) through live Question and Answer Sessions.

Risk Adjustment Processing System (RAPS), Encounter Data System (EDS), Fee-for-Service (FFS), and RAPS submissions will be the sources of diagnostic data used to calculate final risk scores for payment year (PY) 2015.

### Improving Payment Accuracy

In May 2014, CMS issued a final regulation implementing the Affordable Care Act (ACA) requirement that MA-PDP sponsors report and return identified Medicare overpayments.

The August 12, 2014 HPMS notice, "Announcement of the November 2014 Software Release" contains risk adjustment enhancements specifically for overpayments, including:
- Updates to the RAPS File Layout,
- New Adjustment Reason Codes (ARC), and
- The look-back period for MARx adjustments.

CMS will provide additional guidance on the overpayment process soon.

## CONTENTS

## UPCOMING EVENTS

- ➤ **Medicare Encounter Data Companion Guides**
  **November 28, 2014**

- ➤ **Risk Adjustment Webinar for EDS and RAPS**
  **December 18, 2014**

### Attention FTP Users

ABILITY, your Network Service Vendor (NSV) will be contacting you prior to December 15, 2014, regarding changes to your connectivity with Palmetto GBA.

## Operational Highlights

### Using EDS Diagnoses for Risk Score Calculation

As stated in the Announcement for Payment Year (PY) 2015, CMS will continue using diagnoses submitted to the Risk Adjustment Payment System (RAPS) for PY2015 risk score calculation. However, starting in PY2015, for 2014 dates of service (DOS), diagnoses for risk score calculation will be collected from multiple sources.

CMS will calculate final 2015 risk scores using diagnostic data from FFS claims, RAPS data, and encounter data. All sources will be considered equally (that is, there will be no weighting of diagnoses based on the source of the data for final 2015 risk scores).

CMS does not plan to include encounter data in the 2015 risk score until the PY2015 final reconciliation, which will occur in January 2016.

### RAPS Duplicate Diagnosis Clusters

CMS defines a Duplicate Diagnosis Cluster as one that shares all of the same attributes as a diagnosis cluster previously submitted and stored in the RAPS database. While the Risk Assessment Code is not part of the editing process for duplicate checks, there are four (4) attributes that are checked for duplication: Health Information Claim Number (HICN), Provider Type, "From" and "Through" Dates, and Diagnosis Codes.

### ZIP Code +4 Values for Medicare Encounter Data

MAOs and other entities should submit Medicare encounters with a valid 5-digit ZIP code and +4 extension for **all** ZIP code fields. If a valid ZIP code +4 extension cannot be populated, only use default value of '**9998**' as the extension.

### End-to-End Certification

All plan sponsors required to submit encounter data must achieve end-to-end certification prior to submitting production data to the EDS. If your organization requires assistance with meeting end-to-end certification requirements, please contact CSSC Operations at 877-534-2772 or csscoperations@palmettogba.com.

For additional guidance regarding testing for end-to-end certification please visit the CSSC Operations website at http://www.csscoperations.com/internet/cssc3.nsf/docsCat/CSSC~CSSC%20Operations~Medicare%20Encounter%20Data~ED%20Testing?op en&expand=1&navmenu=Encounter^Data||.

### EDPS Planned System Update – December 2014

There are several new and revised edits impacting Professional, Institutional and Durable Medical Equipment (DME) encounter data submissions. Submissions are impacted by revised duplicate logic and new edits for Healthcare Common Procedure Coding System (HCPCS) codes G0460, G9157, and Clinical Trial Billing.

Please reference the upcoming November 2014 EDS Companion Guides for details.

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## Avoiding Submission Errors

### Risk Adjustment Processing System

MAOs are not permitted to submit diagnoses to the RAPS for DOS outside of the beneficiary's enrollment in the MAO; however, the previous MAO may continue to submit diagnoses until the submission deadline. For example, if a beneficiary enrolls in a new MAO on January 1, 2015, the previous MAO may continue to submit diagnoses for 2014 DOS until the submission deadline for PY2015.

*Submit*

### Encounter Data System

### Encounter Data Front-End System (EDFES)

| Edit # | Edit Description | Prevention/Resolution Strategy |
|---|---|---|
| X223.352.2320.SBR.050 | If BHT04 is on or after October 1, 2013, 2300.CLM05-1 must not = 33 | The Transaction Set Creation Date (BHT04) must be before October 1, 2013 when the Type of Bill (TOB) is 33X in Loop 2300, CLM05-1. |
| X223.354.2320.SBR01.050 | If 2000B.SBR01 = "T", 2320.SBR01 ="P" must be present in one iteration of 2320.SBR and 2320.SBR01 = "S" must be present in the second iteration of 2320.SBR within the 2320 loop. | If the encounter includes a tertiary payer (Loop 2000B, SBR01 is populated with "T"), ensure that Loop 2320, SBR01 includes two iterations; one populated with "P" and one populated with "S", as appropriate. |

### Encounter Data Processing System (EDPS)

| Edit # | Edit Description | Prevention/Resolution Strategy |
|---|---|---|
| 17330 | RAP Not Allowed | Requests for Anticipated Payment (RAP) cannot be submitted for Home Health encounters TOBs 322 and 332. |
| 21925 | Swing Bed SNF Conditions Not Met | Encounters submitted with TOB 18X or 21X with Revenue Code 0022 must include Occurrence Span Code 70 **and** Occurrence Code 50 for each submission of Revenue Code 0022 at the service line. |

### ICD-10 Testing

CMS anticipates the implementation of International Classification of Diseases, 10th Revision (ICD-10) on October 1, 2015. MAOs and other entities will be able to submit ICD-10 test data during the period of July 2015 – August 2015.  Should the ICD-10 implementation date move, the test period will also move.

## Common Questions

**Q1**: Does the final risk adjustment data submission deadlines in regulation apply to encounter data submissions of risk adjustment eligible diagnoses?

**A1**: Risk adjustment data includes diagnosis data submitted into both the Risk Adjustment Processing System (RAPS) and the Encounter Data System (EDS). Therefore, the final risk adjustment data submission deadline established in regulation applies to both the diagnosis data plans submit to RAPS and EDS.

**Q2**: Is the Risk Assessment Code field part of the RAPS duplicate matching criteria?

**A2**: No, the Risk Assessment Code is not part of the diagnosis cluster; therefore, it is not part of the editing process for duplicate checks.

**Q3**: Will the Risk Assessment Code be used in the calculation of risk scores for PY2015?

**A3**: No, the Risk Assessment Code will not be a factor used for risk score calculations in PY2015.

**Q4**: When can MAOs expect the MAO-004 Risk Filtering Reports to be distributed?

**A4**: CMS is currently developing the MAO-004 file record layout which will notify plans of diagnoses eligible for risk adjustment. CMS is currently soliciting comments from MAOs for the layout of the proposed report.

**Q5**: What is the Encounter Data end-to-end certification deadline for _new_ MAOs (effective 1/1/15)?

**A5**: New MAOs are required to achieve end-to-end certification by the end of the first quarter of their first year of operation. If the MAO has not yet achieved end-to-end certification, CMS strongly recommends that the organization submit test cases for certification as soon as possible.

## Resources

| Visit… | For information about… |
|---|---|
| http://www.cms.gov | Policies and regulations for Risk Adjustment and Encounter Data |
| http://www.csscoperations.com | Risk Adjustment and Encounter Data submissions, EDS Companion Guides, training resources, and technical assistance |
| http://www.wpc-edi.com | Health Care Code Lists , ASC X12 Implementation Guide, and Technical Report Type 3 (TR3) |
| http://www.tarsc.info/ | Outreach event schedule, newsletter subscriptions, and Webinar registration |

| Email… | With questions regarding… |
|---|---|
| csscoperations@palmettogba.com | Testing , certification, and Front-end processing and editing |
| encounterdata@cms.hhs.gov | Encounter Data System (EDS) policy and operational questions |
| riskadjustment@cms.hhs.gov | Risk Adjustment policy and operational questions |